

TWELFTH
ANNUAL
REPORT

**COULEE LEAD
AND ZINC MINES LIMITED**

FOR THE PERIOD
ENDED DECEMBER 31

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1964

Board of Directors

E. P. McDONOUGH	- - - - -	TORONTO, ONT.
L. F. LABOW	- - - - -	TORONTO, ONT.
G. S. HORGAN	- - - - -	TORONTO, ONT.
BRIAN McDONOUGH	- - - - -	TORONTO, ONT.
S. A. PERRY	- - - - -	TORONTO, ONT.

Executive Officers

E. P. McDONOUGH	- - - - -	<i>President</i>
L. F. LABOW	- - - - -	<i>Vice-President</i>
G. S. HORGAN	- - - - -	<i>Secretary-Treasurer</i>

*Transfer Agents
and Registrar*

GUARANTY TRUST COMPANY OF CANADA

366 Bay Street	- - - - -	TORONTO, ONT.
610 St. James Street West	- - - - -	MONTRÉAL, QUE.

Auditors

NEFF, GOODWIN & Co.

347 Bay St.	- - - - -	TORONTO, ONT.
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Head Office

55 YONGE STREET	- - - - -	TORONTO, ONT.
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Annual Meeting

FRIDAY, JUNE 11, 1965, 12 NOON

(TORONTO TIME), YORK ROOM

KING EDWARD SHERATON HOTEL, TORONTO

Coulee Lead and Zinc Mines Limited

Review of the Year by the Directors

To THE SHAREHOLDERS:

Your Directors take pleasure in submitting the Twelfth Annual Report for the period ended December 31, 1964.

Total Current Assets amounted to \$851,844.54 as compared to \$917,833.35 at December 31st, 1963. Income from investments and profit from sale of securities amounted to \$54,006.08. Columbium Mining Products Limited was advanced \$30,216.18 which includes interest charges of \$15,500.62.

Continuing research and market developments during the year indicate that the consumption of columbium could be increased substantially in the not distant future. Expansion may be expected in the aerospace and nuclear fields — but more promising from the standpoint of increasing volume is its use as an additive to steel and nickel alloys. Increased strength and improved weldability by small additions of columbium to low alloy steels indicates a substantial market developing in such items as line pipe, structural bar and high strength plate. A large nickel corporation has recently announced a research program directed towards the development of an entirely new family of alloys by combining nickel with columbium and other refractory metals.

In view of these interesting developments, we may be hopeful that our columbium project will achieve production status in the reasonably near future.

During the year, general prospecting and exploration programs on properties were actively pursued in the Provinces of Ontario, Quebec and New Brunswick. Diamond drilling of claims in the Sakami Lake Area, Quebec, did not produce mineralization of economic importance. The option on claims in Poirier Township held jointly with Headway, was terminated.

A geophysical survey on one of the claim groups located in Reaume Township, Timmins area, defined several drilling targets. Further work is being considered for later in the year.

Concessions and interests in County Tipperary, Ireland are being maintained in good standing. Additional exploration will be dependent on developments in the general area.

Two groups of claims were staked in the New Brunswick area. Rich lead and zinc float was located over an extensive area on the Armstrong Brook property. An electro-magnetic survey is being employed in an effort to locate the source of this mineralization. A geophysical survey is also planned for the second property in the near future.

Your company will maintain an active exploration policy in the ensuing year.

Respectfully submitted,

E. P. McDONOUGH,

President.

May 13, 1965.

COULEE LEAD AND

Balance Sheet as at

ASSETS

Cash	\$ 36,994.16
Accounts receivable	63,982.77
Marketable securities — at cost	750,867.61
(Quoted market value \$651,803.90)	
TOTAL CURRENT ASSETS	\$ 851,844.54
Investment in Columbium Mining Products Limited	
Capital stock — at cost	\$ 192,124.20
Advances	403,016.08
	595,140.28
Shares in other mining companies — at cost:	
Carndesson Mines Limited	\$ 93,106.87
Other companies	58,836.09
	151,942.96
Advances to other mining companies	20,248.78
Mining properties — at cost:	
Irish concession — 50% interest	\$ 797.65
Irish concession — 12½% interest	385.00
Joutel option — 50% interest (note)	5,000.00
New Brunswick claims — 85% interest	2,016.04
Reaume Township claims	10,000.00
Sakami Lake claims — 37½% interest	1,167.00
	19,365.69
Deferred exploration expenditure:	
Irish concessions	\$ 4,186.67
Joutel option	12,337.18
Reaume Township claims	13,391.43
Sakami Lake claims	13,534.19
	43,449.47
Equipment — at cost	13,181.55
Patent processes — 50% interest — at cost	11,021.50
	\$ 1,706,194.77

AUDITORS' REPORT

We have examined the balance sheet of Coulee Lead and Zinc Mines Limited as at year ended on that date. Our examination included a general review of the accounting necessary in the circumstances.

We report that, in our opinion, the above balance sheet and attached statements of Company as at December 31, 1964, and the results of its operations for the year ended are consistent with that of the preceding year.

TORONTO, Canada,
March 19, 1965.

NC MINES LIMITED

December 31, 1964

LIABILITIES

Accounts payable	\$ 3,032.54
TOTAL CURRENT LIABILITIES	\$ 3,032.54
Capital stock:	
Authorized: 5,000,000 shares of \$1.00 each	<u>\$ 5,000,000.00</u>
Issued and fully paid: 4,286,505 shares	\$ 4,286,505.00
Add: Premium on shares	<u>250,000.00</u>
Less: Discount on shares	<u>\$ 4,536,505.00</u>
Surplus	<u>2,860,200.00</u>
\$ 1,676,305.00	<u>26,857.23</u>
	1,703,162.23

Note: The Company and Headway Red Lake Gold Mines Limited each have a 50% interest in the option on these mining claims. In order to fully exercise the option, the Companies would be required to pay a further total amount of \$10,000.00 and to cause a new company to be incorporated to acquire these claims on or before April 1, 1965.

Approved on behalf of the Board:

E. P. McDONOUGH, Director.

G. S. HORGAN, Director.

\$ 1,706,194.77

SHAREHOLDERS

er 31, 1964 and the statements of surplus and deferred exploration expenditure for the es and such tests of accounting records and other supporting evidence as we considered

s and deferred exploration expenditure present fairly the financial position of the date in accordance with generally accepted accounting principles applied on a basis

NEFF, GOODWIN & CO.,
Chartered Accountants.

Coulee Lead and Zinc Mines Limited

Statement of Surplus

For the Year Ended December 31, 1964

Balance, December 31, 1963	\$13,171.10
Add: Profit on sale of marketable securities	\$ 5,762.65
Profit on sale of investments	3,892.50
Interest and dividends	44,350.93
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	\$67,177.18
<i>Less:</i> Administration expense:	
Office rent, salaries and services	\$13,550.82
Meetings and reports	2,014.22
Legal and audit fees	1,525.00
Transfer agency fees	1,391.30
Licenses, fees and taxes	1,021.33
Directors fees	750.00
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Investment expense	\$20,252.67
Engineering fees	175.00
Prospecting salaries and expenses	3,000.00
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Balance, December 31, 1964	\$26,857.23

Coulee Lead and Zinc Mines Limited

Statement of Deferred Exploration Expenditure

For the Year Ended December 31, 1964

Irish concessions:

Balance, December 31, 1963	\$ 175.00
Consulting fees and expenses	\$1,339.15
Diamond drilling	710.41
Assaying	629.46
Travel and transportation	540.00
Wages and salaries	517.35
Supplies	173.68
Sundry expense	101.62
	4,011.67
Balance, December 31, 1964	\$ 4,186.67

Joutel option:

Balance, December 31, 1963	\$ 2,652.03
Diamond drilling	\$6,680.37
Consulting fees and expenses	2,724.82
Travel and transportation	149.15
Sundry expense	130.81
	9,685.15
Balance, December 31, 1964	\$12,337.18

Reaume Township claims:

Geophysical surveys	\$ 3,454.30
Salaries and wages	3,450.00
Travel and transportation	2,316.58
Line cutting	1,803.20
Supplies	1,572.85
Licenses, fees and taxes	299.95
Consulting fees and expenses	216.76
Equipment rental	65.30
Sundry expense	212.49
Balance, December 31, 1964	\$13,391.43

Sakami Lake claims:

Diamond drilling	\$ 6,347.34
Travel and transportation	3,511.70
Geophysical surveys	1,979.02
Consulting fees and expenses	1,266.51
Line cutting	350.00
Assaying	41.50
Sundry expense	38.12
Balance, December 31, 1964	\$13,534.19

Coulee Lead and Zinc Mines Limited

Statement of Source and Application of Funds

For the Year Ended December 31, 1964

Source:

Investment income	\$ 44,350.93
Profit on sale of marketable securities	5,762.65
Sale of investment in other mining companies	7,514.37
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	\$ 57,627.95

Application:

Administration expense	\$ 20,252.67
Investment expense	175.00
Engineering fees	3,000.00
Prospecting salaries and expenses	16,892.28
Acquisition cost of mining claims	13,183.04
Exploration expenditure	40,622.44
Advances to Columbium Mining Products Limited	30,216.18
Advances to other mining companies	1,405.84
Patent processes	901.85
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Balance, representing the decrease in working capital as set out below:	\$ 126,649.30

	December 31	
	1963	1964
Current assets	\$919,639.35	\$851,844.54
Current liabilities	1,806.00	3,032.54
Working capital	<hr/> <hr/> <hr/>	<hr/> <hr/> <hr/>
	\$917,833.35	\$848,812.00
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		\$ 69,021.35